GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:2408
ANSWERED ON:19.03.2002
PRIVATISATION OF HMT AND NTPC
BIKRAM KESHARI DEO;MALYALA RAJAIAH;SUNIL KHAN

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Government propose to privatise Hindustan Machine Tools (HMT) and National Thermal Power Corporation (NTPC);

(b) if so, the details thereof and the reasons therefor;

(c) the present status of these companies; and

(d) the steps to protect the interests of employees of these companies?

Answer

MINISTER OF DISINVESTMENT AND MINISTER OF DEVELOPMENT OF NORTH-EASTERN REGION (SHRI ARUN SHOURIE)

(a) & (b) Disinvestment in Public Sector Undertakings is a continuous process.As a part of the process, Government keeps considering proposals for disinvestment in various public sector enterprises from time to time. The proposals are considered through Inter-Ministerial consultations and final decisions are taken. No decision has been taken in respect of disinvestment of equity in National Thermal Power Corporation (NTPC). The Turn Around Plan approved by Government in 2000 envisaged disinvestment/joint venture of HMT Tractors Division, Machine Tools Division and Watch Division up to 74%. The disinvestment process is on in these divisions of HMT Ltd.

(c) NTPC is a profit making company. It had earned a net profit after tax of Rs.3424.53 crore in the year 1999-2000. HMT is a loss making company. It had incurred a net loss of Rs.36.77 crore in the year 1999-2000.

(d) Protection of the interests of the employees is an integral part of the disinvestment policy. This is ensured by making appropriate provisions in the Shareholders Agreement entered with the concerned strategic partners.